

## MODULE

# 5

# Health Care Policy and Activism

*"America's healthcare system is neither healthy, caring, nor a system."*

*-Walter Cronkite*

## Introduction

Healthcare policy in the United States is aimed towards the costs of care for citizens as well as access to quality care. The healthcare system includes services provided by medical professionals in order to treat, diagnose, and prevent mental and physical illness and injury. There has been an increasing strain on consumers due to the rising cost of healthcare in the country.

## Objectives

1. Students will be able to understand the basics of the healthcare system
2. Students will be able to have an understanding of the Affordable Care Act
3. Students will improve upon their policy analysis skills
4. Students will be able to have a thought-provoking and intelligent debate about healthcare and the ACA

## Agenda

1. Define and understand relevant terms
2. Understand primary topics within the module
3. Learn about and analyze a specific policy
4. Debate

## Content

### Topic: Important and Relevant Terms

**Subsidy:** Money granted by the government to help with the costs of a common item or service. They are often granted to companies that are hurt by the passing of a law or act; the government then gives them a subsidy in order to ease the pain.

**Federal Poverty Level (FPL):** A level of annual income that the federal government identifies each year which if under that level, a family is deemed as living with inadequate income. As the number of people in the family increases, the FPL also goes up; the FPL for an individual is

lower than the FPL for a family of 5.

Ex. \$30,000 may be sufficient for a single woman, but not for a single mother and a child.

**Insurance:** This helps to protect people and their belongings. If anything were to ever go wrong, from a broken phone to a medical emergency, insurance is used to cover some of the damage.

**Pre-Existing Condition:** A condition that an individual has from before they got health benefits or new insurance. Under the Affordable Care Act, it is illegal for companies to deny insurance to people or raise rates for people because of pre-existing conditions

**Copay:** This is one way that an individual and their insurance split costs. A copay is a fixed amount that the individual pays for a certain service, usually when you receive that service. So, if someone with a copay is getting surgery and their copay is \$1000, they will pay the \$1000 and insurance will pay the rest. A person's copay depends on their plan; one plan can have multiple different copays for different health care services.

**Deductibles:** This is the amount that an individual must pay before the insurance kicks in. For example, a \$1500 deductible means all medical costs below \$1500 are paid by the individual, but the rest is shared by the individual and the insurance.

**Premiums:** The amount an individual pays for their health care every month. There are other things that people have to pay such as deductibles, copays, etc., but this is the monthly payment that gives them insurance.

## Topic: Single-payer insurance vs private insurance vs universal healthcare

### **Purpose:**

- **Single-payer insurance** - This is completely government-run health insurance. Instead of competing health insurance companies, a single public agency funds healthcare for everyone. Everyone has the same insurance plan, but people can pick where they receive care, similar to medicare but for all ages. Canada has this; it fixes inequalities however, it usually is accompanied by lengthy wait times for healthcare services.
- **Private Insurance** - Health insurance through a non-government organization; alternatively, it is inaccessible.
- **Universal Healthcare** - Care that is government funded and goes to everyone. This works best in a Socialist state (which is either a pro or con), it has similar benefits and downfalls as single-payer healthcare.

### **Sources:**

1. <https://www.health.harvard.edu/blog/single-payer-healthcare-pluses-minuses-mean-s-201606279835>
2. <https://www.formosapost.com/pros-and-cons-of-universal-health-care/>

### **Lecture Notes:**

Keep it non-partisan and possibly offer up a debate on it.

## Medicare and Medicaid

### **Purpose:**

Both Medicare and Medicaid provide health insurance for groups of Americans. Medicare provides insurance for U.S. citizens and permanent residents 65 and older or people under 65 with a disability. Medicaid provides health insurance for very low income U.S. citizens and qualified non-citizens. About 59 million people are covered by Medicare and about 72 million more are covered by Medicaid; some people also have dual coverage and get benefits from both programs.

### **Sources:**

1. <https://www.medicare.gov/what-medicare-covers/your-medicare-coverage-choices/whats-medicare>
3. <https://www.medicareinteractive.org/get-answers/medicare-basics/medicare-coverage-overview/differences-between-medicare-and-medicaid>
4. <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/ProgramBasics.pdf>

### **Lecture Notes:**

Explain to the class that the basic idea of Medicare and Medicaid is health insurance for different groups of people. Also, be sure to emphasize the difference between the two: Medicare is for people over the age of 65 and Medicaid is for people of low income.

## Topic - Social Security Policy

### **Purpose:**

Social Security is a government program that acts as the primary form of economic security for millions of Americans: retirees, disabled persons, and widows and widowers. About one in four families receives income from social security. Social Security differs from family pensions because company pensions are pre-funded in order to protect employees if the company goes bankrupt. Social security, however, is different because today's workers pay a social security tax which then flows back out to the beneficiaries. Social security was started in FDR's New Deal and signed into law in 1934.

### **Sources:**

5. <https://www.nasi.org/learn/socialsecurity/overview>
6. <https://www.ssa.gov/history/50ed.html>

### **Discussion:**

- Currently, the United States has an aging population, lowered fertility rates, and increased life expectancy: all of which leads to not enough money for social security and too many people on it (think 8 people funding 10 or something around that). What would be some solutions to fix this problem?
  - Some ideas include raising taxes, getting rid of social security, lowering social

security, raising the age when people qualify for social security, etc.

## Policy Analysis

### Case Study - Obamacare (ACA)

**Purpose:** The explanation of a very popular healthcare case

**Agenda Setting:** 15% of the population doesn't have health insurance due to high rates or companies refusing to cover a pre-existing condition.

**Formulation:** There was a large part of the nation that did not have health insurance and President Obama saw that. He then met with many doctors, nurses, insurers, drug companies, etc.; through this summit, Obama came up with his idea for Obamacare.

**Legitimation:** The ACA took eight months from its introduction in the House of Representatives to being signed into law by President Obama. It also went through 11 amendments throughout its path from bill to law. Quickly after being signed into law, a Florida judge deemed it unconstitutional. After this the Supreme Court decided to agree to hear the arguments and eventually upheld the major provisions. Throughout this whole process there were immense amounts of lobbying. Millions of dollars were spent on lobbying, however it is hard to gauge the actual numbers because most people who are lobbying and being paid for it don't register as lobbyists so it is much harder to reliably track.

**Implementation:**

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- **TAXATION:** Uninsured people faced a tax penalty of \$695 per adult (up to a family maximum of \$2,085) or 2.5% of household income, whichever is greater

**Evaluation:** (5 Es) effectiveness, efficiency, ethical considerations, evaluation of alternatives, and establishment of recommendations for positive change

Assessment:

Effectiveness: rate of non elderly people insured went from about 18% to 10%

Efficiency: Children are allowed to stay on their parent's insurance till the age of 26, which earns insurance companies more money, because young adults were more likely to go without their own history. The ACA also taxes people who didn't buy insurance. While insurance costs are on the rise, they are rising slower than before.

Ethical considerations: all US citizens had access to healthcare, including those with pre-existing conditions

Change: current problems with the bill: leaves 31 million Americans by 2023, ran past projected costs, many loopholes that companies found, businesses that lost money from it turned towards firing staff

Evaluation of alternatives:

Single payer healthcare: we talked about earlier, medicare is a form of single payer making current America a hybrid healthcare system

Universal public insurance: the government withholds part of their wage, which is divided by the employee and employer (unemployed people can be ineligible for healthcare)

Examples of universal healthcare: Norway: everyone under 16 gets free medical treatment, everyone over 16 has to pay a deductible (about \$250 USD yearly) to receive 'free' treatment (things like physical therapy are not included). There is some backup when it comes to getting doctors appointments.

Examples of universal multi-payer health care: Germany: Everyone who lives in Germany is required to have health insurance. Everyone below a certain income threshold gets public health insurance that is half employee funded, and half employer funded. Self-employed people must pay the whole fee themselves. Above this threshold people can either buy private health insurance (only 11% of the population does) or get employee benefits that cover some of the cost and cover the rest with private insurance. Private insurance is not allowed to charge more than what is legally set by the government (find amount). Public insurance tends to be slightly lower quality, as it usually takes longer to get an appointment, and doctors tend to be more thorough because the doctors make more money from the private insurance.

Example of a Bismarckian system: Chile- Almost everyone is required to contribute 7% of their income to health insurance (very low income people are exempt

Republican proposed healthcare: The general republican healthcare consensus is to refine a single plan called states innovation. State Innovation Models partner with states to advance multi payer health care payment and delivery system reform models. This plan would take the money from the expansion of Medicaid and from Obamacare's subsidies and send them in block grants to the states and they give states a lot of leeway on how to spend it. Each model tries to achieve better quality of care, lower costs, and improve the population's health. Different ways that individual republicans could refine this plan are: how to set the grant amount to each state, how to add adjustments to the grant amount if necessary, keep certain Obamacare protections (i.e. pre existing conditions as the midterms showed huge public support for them), how to deal with coverage affordability and accessibility, etc.

Bernie Sanders's Plan (Medicare for all Act): No citizen will have to pay any out of pocket cost for healthcare, plans to get the money from a new tax on the richest Americans, this covers hospital visits, primary care, prescriptions, vision benefits, and dental benefits.

#### **Discussion:**

1. Wait for debate lol

#### **Sources:**

Lobbying  
Going through congress  
Implementation

## **Recommended Activities**

[Activism discussion](#)

**Purpose:**

We discuss many activist movements that deal with healthcare.

**Discussion:**

2. Should there be a difference in legality for reasons why women can get an abortion? Is it different when a woman gets an abortion for her physical health than if she just doesn't want a child?
3. It costs millions of dollars for a company to research a new drug, test it, and get it approved. Every pill after that, however, costs almost nothing to produce. Is there any justification for companies to keep drug prices high because of that initial cost despite the very low production cost for every other pill?
4. Should people be allowed to buy insulin (which is known for being life-threateningly dangerous) in other countries such as Canada when many state's economies depends on the production of insulin.

## Debate (end of module, whatever time is left)

**Purpose:**

Start and facilitate constructive and interesting debate about the topic. It is also an activity that most EnAct students want to do and enjoy doing.

**Possible Debate Topics/Prompts**

1. Schools should teach LGBT+ inclusive sex education
2. Should the state provide free health care to undocumented immigrants?
3. Is the cost of healthcare in the United States justified?
4. Should there be criminal responsibility for medical errors?

**Materials:**

Brains, debate questions

**Directions:**

Ask debate questions and allow the students to debate. Play devil's advocate when necessary, even if it goes against your own beliefs. Also be sure to not express your own beliefs but rather be neutral and support both sides of the argument.

**Discussion:**

5. Out of all the healthcare options we listed what is the best?
  - a. Medicare for all?
  - b. Public option?
6. Should we use other countries' healthcare plans as a blueprint for a revision of the American healthcare plan?